## REMARKS

Claims 1-9 and 12, 13, and 15-18 are now pending in the application. The Examiner is respectfully requested to reconsider and withdraw the rejections in view of the amendments and remarks contained herein.

## REJECTION UNDER 35 U.S.C. § 103

Claims 1, 2, 8, 12, 13 and 15 - 18 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Croat (U.S. Pat. No. 4,851,058 cited by the Applicants in the Information Disclosure Statement submitted August 31, 2001) in view of Toshio et al. (Toshio, Japanese Patent Document No. 09-271909, cited by the Applicants in the IDS submitted February 24, 2003). This rejection is respectfully traversed.

Claim 1 has been amended and rewritten. Specifically, claim 1 has been amended to include the subject matter of claim 14, which is indicated as being allowable. Claim 1 now calls for a method of manufacturing a magnetic material wherein, in the step of expelling gas entered between the circumferential surface of the cooling roll and a puddle of the molten alloy, the groove is formed spirally with respect to the rotation axis of the cooling roll. Since this subject matter is indicated as being allowable, Applicants respectfully assert that claim 1 and each corresponding dependent claim would not have been obvious in view of the alleged combination of Croat and Toshio; and further, Applicants respectfully assert that claim 1 and each corresponding dependent claim are now in condition for allowance.

Claims 3 and 5-7 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Croat taken in view of Toshio as applied to claims 1, 2, 8, 12, 13 and 15 – 18 as set forth above, and further in view of Fukuno (Fukuno, U.S. Pat. No. 5,665,177, cited by the Applicants in the

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Information Disclosure Statement submitted June 30, 2001). This rejection is respectfully traversed.

As stated above, claim 1 has been amended to include the allowable subject matter of claim 14. Claims 3 and 5-7 depend or ultimately depend on independent claim 1. As such, claims 3 and 5-7 are not obvious in view of Croat, Toshio, and Fukuno for at least the same reasons as claim 1.

Claim 4 stands rejected under 35 U.S.C. 103(a) as being unpatentable over Croat taken in view of Toshio and further in view of Fukuno as applied to claims 3, 5 and 7 above, and further in view of Sukeyoshi et al. (Sukeyoshi, Japanese Patent Document No. 10-317110). This rejection is respectfully traversed.

Claim 4 is ultimately dependent on claim 1. Again, the method of claim 1 has been amended to call for a groove of the cooling roll to be formed spirally with respect to the rotation axis of the cooling roll. This subject matter is indicated by the Examiner as being allowable. As such, claim 4 which is dependent on claim 1, is also in condition for allowance.

Accordingly, reconsideration and withdrawal of this rejection is respectfully requested.

## ALLOWABLE SUBJECT MATTER

Applicants acknowledge, with thanks, the allowance of claims 9 and 14. Applicants have amended claim 1 to include the limitations of claim 14. Therefore, claim 1 and each corresponding dependent claim should now be in condition for allowance.

## **CONCLUSION**

It is believed that all of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider and withdraw all presently outstanding rejections. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance. Thus, prompt and favorable consideration of this amendment is respectfully requested. If the Examiner believes that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at (248) 641-1600.

Respectfully submitted,

g, No. 40,344

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